

**MINUTES OF A MEETING OF THE CABINET HELD AT COUNCIL CHAMBER -
COUNTY HALL, LLANDRINDOD WELLS, POWYS ON TUESDAY, 13 SEPTEMBER
2016**

PRESENT

County Councillor W B Thomas (Chair)

County Councillors R G Brown, J H Brunt, M R Harris, S M Hayes, E A Jones,
W T Jones, W J T Powell and E A York

In attendance: County Councillors KW Curry, AW Davies, MJ Dorrance, DO Evans,
VE Evans, CJ Gibson-Watt, PJ Medlicott, GD Price (left after item 7) and JM
Williams.

1.	APOLOGIES	C158- 2016
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Apologies for absence were received from County Councillor SC Davies leader of the Labour group.

2.	MINUTES	C159- 2016
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The Leader was authorised to sign the minutes of the last meeting held on 30 August 2016 as a correct record.

3.	DECLARATIONS OF INTEREST	C160- 2016
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County Councillor WJT Powell declared a personal and prejudicial interest in item C161 – 2016 as a member of the Board of Finance for the Diocese of Swansea and Brecon. County Councillor JH Brunt advised that he was on the governing body of a neighbouring primary school he would not abstain from taking part or voting on the item on Nantmel Church in Wales School.

4.	NANTMEL CHURCH IN WALES SCHOOL	C161- 2016
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County Councillor WJT Powell left the meeting during consideration of this item having declared a personal and prejudicial interest.

The Portfolio Holder for Education advised that 17 objections had been received during the statutory objection period but that these had not raised any new major issues. In view of this and the projected low number of pupils he was recommending to the Cabinet that it confirm its decision of 23rd June and close Nantmel Church in Wales School with effect from 31st December 2016.

County Councillor DO Evans spoke as the local member to oppose the recommendation. He noted that 127 written representations of support had been received along with a 849 signature petition and asked how the Cabinet could close the school in the face such strong support. He argued that the Council had not considered alternative arrangements for the school or taken account of the impact of the loss of the village's only community facility. He asked that the Cabinet to defer a decision to wait for the Welsh Government's rural school policy.

County Councillor Kelvyn Curry also argued that it was premature to close the school before the Welsh Government’s rural school policy was published and that the closure of rural schools was contrary to the Council’s aim of promoting strong communities.

The Chair of the Principal Scrutiny Committee, DR Jones, said that he had not read anything in the objections that persuaded him that the recommendation to close the school should be changed.

The leaders of the Conservative group, Liberal Democrat group and deputy leader of the Labour group spoke against the recommendation to close the school.

Members of the Cabinet acknowledged that the closure of a school was difficult for a community. However they noted that Cabinet also had to be mindful of the higher costs per pupil of small schools and the problem of recruiting teaching heads. Cabinet noted that despite frequent references to the Welsh Government’s small school policy the policy had yet to be produced.

RESOLVED	Reason for Decision:
To confirm the decision of Cabinet made on 23rd June to discontinue Nantmel Church in Wales School with effect from the 31st December 2016, with Rhayader Church in Wales School to be named as the receiving school.	To ensure future sustainability of primary education

The meeting was adjourned for 15 minutes.

5.	LDP REPORT FURTHER FOCUSED CHANGES	C162- 2016
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The Portfolio Holder for Regeneration and Planning and the Professional Lead Planning Policy outlined the further focussed changes (FFCs) to the LDP to address concerns raised by the Planning Inspector and to build the evidence base and answered questions from members. The Professional Lead Planning Policy explained the reason for revising the affordable housing target for the Ystradgynlais area from 10% to 0% and offered to meet local members to discuss this with them.

Members noted that the Planning, Taxi Licensing and Rights of Way Committee was being placed in a very difficult position when considering housing developments outside of development boundaries because the requirement for a 5 year land supply and suggested that representations should be made to the Government.

RESOLVED	Reason for Decision:
<p>1. To approve the FFCs and supporting assessments for public consultation, subject to inclusion of additional wording in (i) FFC63, Policy H4 – Affordable Housing Contributions, to refer to changing viability circumstances (ii) FFC79, Policy RE1 – Renewable Energy, criterion 5, to refer to the protection of designated European Habitats as recommended by the Habitats Regulations Assessment.</p> <p>2. Any outstanding matters or matters arising from Cabinet in relation to the above are delegated to the Portfolio Holder in consultation with the Professional Lead – Planning Policy.</p>	<p>To comply with:</p> <ul style="list-style-type: none"> • The Town & Country Planning (Local Development Plan) (Wales) Regulations, 2005 as amended in 2015 • Environmental Assessment of Plans and Programmes (Wales) Regulations 2004. • The Conservation of Habitats and Species Regulations 2010. • The LDP Delivery Agreement.

6.	CAE POST CONTRACT FOR RECYCLING SERVICES	C163- 2016
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Cabinet was advised that discussions had been held with Cae Post to explore opportunities to work together but no financially viable options could be found and therefore the contract would end on the expiry date of 31st March 2017. Material currently taken to the Materials Recycling Facility would be bulked at Welshpool and Newtown. The kerbside collection rounds would be brought in house and adapted as part of the route optimisation process thus realising additional savings. The collection of cans and plastics from Community Recycling Sites would cease prior to 31st March 2017, with the Council owned containers utilised for alternative purposes.

The Portfolio Holder for Adult Social Care confirmed that other placements would be found for the people with learning disabilities working at Cae Post and he put on record his thanks for the valuable contribution that Cae Post had made in providing placements.

The Portfolio Holder for Finance welcomed a saving of between £400k and £700k without any reduction in the service to the public.

RESOLVED	Reason for Decision:
<p>1. To end the relationship with Cae Post in terms of waste and recycling services when the contract expires on 31st March 2017.</p> <p>2. Material that is currently taken to the MRF to be bulked at Welshpool</p>	<p>To ensure the provision of a consistent waste and recycling service and realise savings to the authority</p>

<p>and Newtown as it is currently and then transported on for reprocessing. Due to the increase in quality of the material collected there will be no requirement for a MRF.</p> <p>3. The kerbside collection rounds to be brought in house and adapted as part of the route optimisation process thus realising additional savings.</p> <p>4. The collection of cans and plastics from Community Recycling Sites will cease prior to 31st March 2017, with the Council owned containers utilised for alternative purposes.</p> <p>5. Alternative placements to be sought by the Adult Social Care Team for the service users currently with Cae Post.</p>	
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County Councillor EA York abstained having missed part of the debate.

7.	DEPOT REVIEW FORMAL CONSULTATION - CRICKHOWELL & PRESTEIGNE	C164- 2016
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Cabinet noted the results of consultations with staff at Crickhowell and Presteigne depots on proposals to relocate them and retain the depots in the interim as non-operational salt storage facilities until such time as a salt storage strategy had been formulated with the aid of route optimisation results. In presenting the report the Portfolio Holder reminded colleagues of the savings the Highways service had to make. He also confirmed that the trade unions had been consulted.

RESOLVED	Reason for Decision:
<p>1. To relocate staff based at Crickhowell depot to Brecon depot & staff based at Presteigne depot to Penybont depot at the earliest opportunity.</p>	<p>To ensure that cabinet approve the service recommendations prior to implementation.</p>
<p>2. Both depots will then be retained on an interim basis as non-operational salt storage facilities until such time as a salt storage strategy has been formulated.</p>	

8.	DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING	C171- 2016
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Cabinet received details of delegated decisions taken since the last meeting. Members were advised that the reason why a contractor had been engaged to undertake a business case for capital investment at Ysgol Bro Hyddgen was because an undertaking had been given for a new build before the secondary school modernisation programme for north Powys had started.

9.	FORWARD WORK PROGRAMME	C172- 2016
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Cabinet received the forward work programme. It was confirmed that it was hoped to bring a report on secondary school modernisation to Cabinet in October.

10.	IMPACT ASSESSMENT - A PROCESS FOR EFFECTIVE DECISION MAKING	C165- 2016
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Cabinet considered a proposal that the mandatory use of the Impact Assessment of policy/change objective/budget saving proposals be agreed and formally adopted.

RESOLVED	Reason for Decision:
The mandatory use of the Impact Assessment of policy/change objective/budget saving proposals be agreed and formally adopted.	This will facilitate better decision making, based on evidence, which considers the wider implications for the service, the council and communities of Powys.

11.	TRACKING OF RECOMMENDATIONS MADE BY REGULATORS	C166- 2016
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The Portfolio Holder for Finance and Performance set out a process for tracking recommendations made by regulators. He also advised that he would be bring a report to the next meeting proposing the establishment of a Corporate Performance Management Panel. If this was agreed by Cabinet the flowchart shown in the report setting the reporting lines would have to be amended.

RESOLVED	Reason for decision:
1. The proposed process and mechanism for tracking recommendations made by regulators is agreed and fully implemented no later than Q2 reporting 2016/17. 2. That should Cabinet agree to the introduction of a Corporate Performance Management	To ensure effective evaluation of progress in implementing recommendations from external regulators supported by good practice and simple governance.

<p>Panel that the Portfolio Holder is given delegated authority to amend the flowchart.</p>	
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<p>12.</p>	<p>FINANCIAL OVERVIEW AND FORECAST AS AT 30TH JUNE 2016</p>	<p>C167- 2016</p>
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The Portfolio Holder for Finance presented the financial outturn report for the period ended 30th June. He also referred to the outturn for the period ended 31st July that had just been drafted and stressed to Cabinet the very serious financial position that the Council was in with services overspending on their budgets. The projected overspend had increased by £1.675m in just one month and he warned that if action was not taken then the Council’s reserves would be wiped out. He noted further expected budget pressures such as the revaluation of the pension scheme and provision for the National Living Wage. In view of the very serious situation he was recommending an additional recommendation that the Chief Executive and Senior Management Team bring forward a recovery plan to address overspending in the current financial year. The Chief Executive explained that he would have to look in detail at the budgets to see where savings hadn’t been delivered and where services were overspending. Members hoped that this would clarify whether services weren’t managing their budgets properly or whether the budget that had been set by Council was unrealistic. The Portfolio Holder for Finance advised that he would be attending Brecknockshire to brief them at their meeting the following week and that he would make his briefing available to all members.

<p>RESOLVED</p>	<p>Reason for Decision:</p>
<ol style="list-style-type: none"> 1. That the contents of the report are noted by the Cabinet. 2. That Cabinet supports appropriate action by services to curtail or reduce the reported forecasted service deficits. 3. That the capital virements set out in paragraph 5.3 of the report are approved and those over £500k be submitted to full Council for approval. 4. That the Chief Executive and Senior Management Team bring forward a recovery plan to address overspending in the current financial year. 	<p>To monitor the Council’s financial performance and ensure that spending remains with approved limits and that the 3% minimum general fund reserve is maintained.</p>

13.	TREASURY MANAGEMENT REVIEW 2015/16	C168- 2016
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Cabinet received the Treasury Management review for 2015/16

RESOLVED	Reason for Decision:
That the contents of the report are approved.	Statutory requirement

14.	TREASURY MANAGEMENT QUARTER 1 REPORT	C169- 2016
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Cabinet received the Treasury Management report for the first quarter. It was confirmed that the outcome report for the Council's Icelandic investments would be brought to the next Cabinet meeting on 4 October.

RESOLVED	Reason for Decision:
That the Treasury Management Quarterly Report be received	To ensure Cabinet remains informed about current Treasury Management performance

Councillor Brown abstained having missed part of the debate.

15.	CORRESPONDENCE	C170- 2016
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There were no items of correspondence reported.

16.	EXEMPT ITEMS	C171- 2016
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RESOLVED to exclude the public for the following items of business on the grounds that there would be disclosure to them of exempt information under category 1 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

17.	LEISURE - OPTIONS REVIEW TO ACHIEVE ADDITIONAL SAVINGS IN THE MTFS 2017-18	C174- 2016
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Members were reminded that the contract with Freedom Leisure would deliver £18m savings over the lifetime of the contract with £450k saved in the first year. Leisure Services were required to make additional £200k savings and the Cabinet considered proposals to achieve this. The Portfolio Holder and officers answered questions from the Cabinet, Scrutiny Chairs, group leaders and local members.

RESOLVED	Reason for decision:
1. To undertake consultation with stakeholders on the preferred options described, during the Autumn, with a view to concluding	To achieve £200k additional savings as required in the MTFS in 2017/18

<p>decisions by the end of the calendar year</p> <p>2. Upon conclusion of the consultation exercise to delegate to the final decision making to the Portfolio Holders for Commissioning & Procurement, Property and Finance, in consultation with the Strategic Director – Place.</p> <p>3. That the ‘one off costs’ to deliver these options is funded from reserves or management of change funding. To be determined by the Section 151 Officer.</p>	
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18.	OLDER PEOPLE'S ACCOMMODATION - OPTIONS APPRAISAL FOR THE MANAGEMENT AND OPERATION OF COUNCIL-OWNED RESIDENTIAL CARE	C175- 2016
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Cabinet considered options for the management and operation of the Council owned residential homes. A number of options had been appraised and the preferred option identified was the creation of a Local Authority Trading Company by May 2017 with the objective of stabilising the current market and positioning itself as a driving force in the development of residential care services. An LATC would be a separate legal entity from the County Council but would be fully controlled by the Council. It would require the establishment of a stakeholder scrutiny group to take decisions but the day to day running of the homes would be undertaken by the existing staff.

Members questioned the Portfolio Holder for Adult Social Care and officers about the risk involved and the budget implications of not achieving savings set out in the Medium Term Financial Plan. The Portfolio Holder acknowledged the risk but pointed out that there were risks with all the options. He also acknowledged that the preferred option did not offer savings in the short term but that it did so in the longer term. He explained that if Cabinet approved the first recommendation the service would press ahead and would only come back to Cabinet if there was any significant change.

RESOLVED	Reason for Decision:
<p>1. To move to the next phase of the project, completing an Outline Business Plan based on Option 3 (LATC), and provided that this plan validates the work contained within the Options Appraisal, to proceed with the implementation of a LATC for the management and operation of the council owned residential</p>	<ul style="list-style-type: none"> • To secure and maintain welfare and care of residents in the short to medium term. • Complete due diligence, defining the strategic direction of the LATC • Develop the proposed company governance

<p>care homes by May 2017. Should the Outline Business Plan raise issues of principle or significant variance, further Cabinet approval will be sought in December 2016.</p> <p>2. That cabinet give agreement to the current MTFP savings required in 2017/18 (£940K) and 2018/19 (£940k) being delayed in order that longer terms gains can be maximised allowing suitable time to transition to one of the models in Option 5 (to be determined by the LATC).</p> <p>3. To endorse the principle that under LATC management, Private/Self-funders should continue to be charged at the market level.</p> <p>4. That the LATC retains capital receipts to fund future capital work programme subject to Cabinet approval on a case by case basis.</p> <p>5. That the Portfolio Holder for Finance and the Portfolio Holder for Adult Social Care in consultation with the Strategic Director Resources and the Strategic Director People be given delegated authority to decide the best way of funding these needs.</p> <p>6. To continue to resource the complex and accelerated work programme necessary to secure integrated recommissioning of residential care with effect from May 2017, in accordance with Cabinet decision of 22nd March 2016.</p>	<p>and management arrangements</p> <ul style="list-style-type: none"> • Specify the support services required by the LATC • Complete the Outline Business Plan for validation with this Options Appraisal • To secure a recommissioned service by May 2017.
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19.	REVIEW OF GOVERNANCE STRUCTURE FOR POWYS COUNTY COUNCIL'S IN-HOUSE DOMICILIARY CARE SERVICE	C176- 2016
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The Portfolio Holder for Adult Social Care outlined options for the governance of the in-house domiciliary care service. He explained that the preferred option was to maintain the governance of the service under Adult Social Care. Until the

market development and work to increase the domiciliary care market's resilience had been completed, it was considered too high risk to change the change direct governance arrangements.

Members were concerned about the additional costs associated with this option and the extra savings that would have to be found from services but accepted that this was the least risky option for the in-house domiciliary care service. The Chief Executive advised Cabinet that the need for additional savings arising from this and the previous report on Older Peoples Accommodation may have to be reopened as a result of the financial recovery plan he had been asked to undertake with the Senior Management Team.

RESOLVED	Reason for Decision:
<ol style="list-style-type: none"> <li data-bbox="240 696 833 952">1. That governance of the In-House Domiciliary Care Service is retained as an In-House service managed by Adult Social Care for at least 18 to 24 months whilst further market development and resilience work in undertaken. <li data-bbox="240 992 833 1355">2. That the Head of Transformation Adult Services submit a revised Business Case following completion of the market development interventions that reflects any market or legislation changes that may have occurred between the September 2016 Cabinet decision and the date of resubmission. <li data-bbox="240 1395 833 1686">3. That further consideration be given at that time to available governance options and their financial merits. These may include the potential for future joint governance arrangements with other social care commissioned services. <li data-bbox="240 1727 833 1906">4. That a report be brought back to Cabinet at the earliest opportunity on options for increasing the capacity of the in-house domiciliary care service. 	<p data-bbox="857 696 1374 1041">Until the market development and work to increase the domiciliary care market's resilience is completed, it is considered too high risk to change the change direct governance arrangements within the In-House Domiciliary Care Service.</p> <p data-bbox="857 1122 1374 1422">To develop equity of access across Powys, and to provide additional domiciliary care capacity in some areas of the county where commissioning external care to meet increasing assessed need remains challenging.</p> <p data-bbox="857 1547 1374 1771">The options analysis undertaken highlight potential cost efficiencies of developing a Local Authority Trading Company when market conditions are stable.</p>

County Councillor W B Thomas (Chair)